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Housing Authority of the Parish of Sabine Many, Louisiana

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General Purpose Financial Statements and
Independent Auditors Reports
As of and for the Year Ending December 31, 2000
With Supplemental Information Schedules

*WILLIAM DANIEL McCASKILL, CPA
A PROFESSIONAL ACCOUNTING CORPORATION*

415 MAGNOLIA LANE
MANDEVILLE, LOUISIANA 70471

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-11-01

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**INDEPENDENT AUDITOR'S REPORT
UNQUALIFIED OPINION ON GENERAL PURPOSE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Board of Commissioners
Housing Authority of the Parish of Sabine
Many, Louisiana

I have audited the accompanying general purpose financial statements of the Housing Authority of the Parish of Sabine (PHA) as of and for the year ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the PHA's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

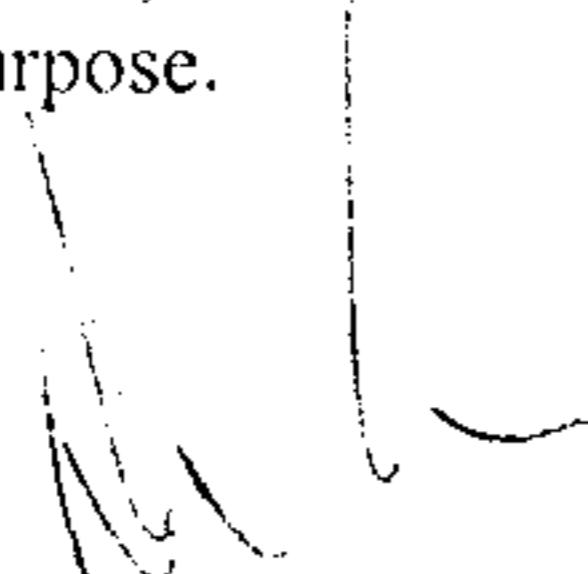
I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and provisions of the Louisiana Governmental Audit Guide. Those standards required that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly in all material respects, the financial position of the Housing Authority of the Parish of Sabine as of December 31, 2000, and the results of its operations and the cash flows of its propriety fund types for the year ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated May 03, 2001 on my consideration of the PHA's internal control over financial reporting and my tests of its compliance with certain laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the PHA taken as a whole. The combining and individual fund financial statements and schedules, as well as the accompanying Schedule of Expenditures of Federal Awards and Financial Data Schedule are presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non Profit organizations, and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements and any other included supplementary information taken as a whole.

This report is intended solely for the information and use of the Board of Commissioners of the PHA, and for filing with the Department of HUD and should not be used for any other purpose.



William Daniel McCaskill, CPA
A Professional Accounting Corporation

May 03, 2001

**Housing Authority of Sabine Parish
Many, Louisiana
Combined Balance Sheet - All Funds
As of December 31, 2000**

EXHIBIT A
Page 1 of 1

Assets

Current Assets:

Cash and Cash Equivalents	\$ 201,708
Total Accounts Receivable, Net of Allowance for Doubtful Accounts	3,968
Investments - Unrestricted	352,144
Interprogram Due From	7,011
Prepaid Expenses and Other Assets	30,444
Inventories	-
Total Current Assets	<u>\$ 595,275</u>

Noncurrent Assets:

Total Fixed Assets, Net of Accumulated Depreciation	\$ 1,198,369
Other Assets	\$ 372
Total Noncurrent Assets	<u>\$ 1,198,741</u>

Total Assets	<u><u>\$ 1,794,016</u></u>
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Liabilities and Equity

Current Liabilities:

Accrued Compensated Absences	\$ 6,124
Accrued Wage/Payroll Taxes Payable	52
Accounts Payable < 90 Days	2,329
Accounts Payable - HUD PHA Programs	16,492
Accounts Payable - Other Government	16,331
Tenant Security Deposits	16,923
Deferred Revenues	0
Current Portion of LT Debt - Capital Projects	-
Accrued Liabilities - Other	14,308
Interprogram Due To	7,011
Total Current Liabilities	<u>79,570</u>

Total Noncurrent Liabilities	00 -
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Total Liabilities	79,570
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Total Fund Equity	<u>\$ 1,714,446</u>
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Total Liabilities and Equity	<u><u>1,794,016</u></u>
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See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana
Combined Statement of Revenue, Expenses, and Change in Equity - All Funds
For Fiscal Year Ending December 31, 2000**

EXHIBIT B
Page 1 of 1

Revenues:	
Net Tenant Rental Revenue	\$ 190,715
HUD PHA Grants	727,154
Other Government Grants	-
Investment Income - Unrestricted	14,138
Other Revenue	164
Total Revenues	<u>\$ 932,171</u>
Operating Expenses:	
Administrative	\$ 157,975
Tenant Services	30,316
Utilities	9,145
Ordinary Maintenance & Operations	255,566
Extraordinary Maintenance	0
Insurance Premiums	71,308
Other General Expenses	22,193
Total Operating Expenses Before Depreciation	<u>546,503</u>
Excess Revenue Over Expenses Before Depreciation	385,668
Casualty Losses - non Capitalized	\$ 1,289
Housing Assistance Payments	279,444
Depreciation Expense	6,458
Operating Transfers - In	92,951
Operating Transfers - Out	<u>(92,951)</u>
Net Operating Income (Loss) After Depreciation	<u>98,477</u>
Beginning Equity @ 12/31/99	
	\$ 1,640,621
Net Operating Income (Loss) After Depreciation	98,477
Prior Period Adjustments	(265,585)
Capital Outlays	240,933
Ending Equity @ 12/31/00	<u>1,714,446</u>

See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana
Combined Statement of Cash Flows - All Funds
For Fiscal Year Ending December 31, 2000**

EXHIBIT C
Page 1 of 2

Cash flows from operating activities:	
Cash received from tenants	\$ 190,715
Cash received from other income	164
Cash paid for goods and services	(624,167)
Cash paid to employees	<u>(208,483)</u>
Net cash provided by operating activities	<u>\$ (641,771)</u>
Cash flows from noncapital financing activities:	
Operating grants and subsidies - soft costs	\$ 93,327
Cash paid for goods and services	<u>(374)</u>
Net cash - soft costs	\$ 92,953
State/Local Grants	\$ -
Operating subsidy - Low rent	\$ 307,928
Operating subsidy - Section 8	<u>\$ 325,899</u>
Net cash provided from noncapital financing activities	<u>\$ 726,780</u>
Cash flows from capital and related financing activities:	
Proceeds from grants	240,933
Acquisition of capital assets	(240,933)
Proceeds from financing	<u>-</u>
Net cash used for capital and related financing activities	\$ -
Cash flows from investing activities:	
Interest on Investments	<u>\$ 14,138</u>
Total cash from investing activities	\$ 14,138
Total Cash Provided (Page 1)	\$ 99,147

**Housing Authority of Sabine Parish
Many, Louisiana
Combined Statement of Cash Flows - All Funds
For Fiscal Year Ending December 31, 2000**

EXHIBIT C
Page 2 of 2

Reconciliation of operating income to net cash provided by operating activities:

Adjustments to reconcile operating income to net cash	\$ 8,352
Total net adjustments -non cash	\$ 8,352
Adjustments to reconcile operating income to net cash:	
(Increase) Decrease in tenant rents receivable	\$ (1,484)
(Increase) Decrease due from other	1,960
(Increase) Decrease in other assets	(372)
(Increase) Decrease in prepaid expenses	25,263
(Increase) Decrease in undistributed debits	-
(Increase) Decrease in accounts receivable misc	(1,201)
Increase (Decrease) in accounts payable other governments	16,331
Increase (Decrease) in accounts payable and accrued liabilities	2,329
Increase (Decrease) in accounts payable misc	(15,990)
Increase (Decrease) in accounts payable HUD	11,383
Increase (Decrease) in Interest payable	725
Increase (Decrease) in deferred revenues	(28,414)
Increase (Decrease) in payroll taxes payable	52
Increase (Decrease) in tenant security deposits	2,177
Total adjustments to reconcile operating income to net cash	\$ 12,759
Net change (decrease) in cash and cash equivalents	\$ 120,258
Cash and cash equivalents at beginning of year	433,594
Cash and cash equivalents at end of year (exhibit A)	<u>\$ 553,852</u>

See notes to financial statements

Housing Authority of Sabine Parish

Many, Louisiana

Combined Statement of Revenues & Expenditures - Budget vs. Actual Low Rent, Voucher, and Certificate Programs For Fiscal Year Ending December 31, 2000

EXHIBIT D
Page 1 of 1

	Low Rent Public Housing			Section 8 Voucher Program			Section 8 Certificate Program		
	Budget (HUD 52599)	Actual (Sch 3, Col B)	Variance Actual-Budget Over (Under)	Budget (HUD 52599)	Actual (Sch 3, Col H)	Variance Actual-Budget Over (Under)	Budget (HUD 52599)	Actual (Sch 3, Col I)	Variance Actual-Budget Over (Under)
Revenues									
Local Sources:									
Total Tenant Rental Revenue	\$ 173,000	\$ 172,453	\$ (547)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income - Unrestricted	11,920	11,914	(6)	-	1,668	1,668	-	556	556
Receipts from Sale of Equipment	-	-	-	-	-	-	-	-	-
Other Revenue	111,150	111,145	(5)	-	164	164	-	-	-
Federal Sources:									
Operating Subsidy / HUD PHA Grants	307,928	307,928	-	260,222	244,455	(15,767)	82,181	81,444	(737)
Annual Contributions	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 603,998	\$ 603,440	\$ (558)	\$ 260,222	\$ 246,287	\$ (13,935)	\$ 82,181	\$ 82,000	\$ (181)
Expenditures									
Administrative	\$ 89,290	\$ 88,999	\$ (291)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tenant Services	24,670	24,587	(83)	-	-	-	-	-	-
Utilities	9,800	9,145	(655)	-	-	-	-	-	-
Ordinary Maintenance & Operations	225,360	225,343	(17)	-	-	-	-	-	-
Employee Benefit Contributions	-	-	-	-	-	-	-	-	-
Other General Expenses	145,700	145,635	(65)	-	-	-	-	-	-
Sundry	-	-	-	35,362	38,395	3,033	11,573	14,131	2,558
Nonroutine Maintenance	1,300	1,289	(11)	-	-	-	-	-	-
Affecting Residual Receipts	600	593	(7)	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	224,860	209,583	(15,277)	70,608	69,861	(747)
Total Expenditures	\$ 496,720	\$ 495,591	\$ (1,129)	\$ 260,222	\$ 247,978	\$ (12,244)	\$ 82,181	\$ 83,992	\$ 1,811
Excess Revenues (Deficiency) Over Expenses	\$ 107,278	\$ 107,849	\$ 571	\$ -	\$ (1,691)	\$ (1,691)	\$ -	\$ (1,992)	\$ (1,992)

See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana
Statement and Certification of Actual Modernization Costs
For Fiscal Year Ending December 31, 2000**

EXHIBIT E
Page 1 of 1

Modernization Project Number LA48P0740699 (1999)

Original Funds Approved	\$ 327,753
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Less Funds Expended (Actual Modernization Cost)	<u>327,753</u>
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Excess Funds Approved	<u><u>\$ -</u></u>
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Funds Disbursed	\$ 327,753
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Less Funds Expended (Actual Modernization Cost)	<u>327,753</u>
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Excess Funds Disbursed	<u><u>\$ -</u></u>
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The distribution of costs by project as shown on HUD Final Performance and Evaluation Report dated 11/29/00 accompanying the Actual Modernization Cost Certificates, submitted to HUD for approval are in agreement with the PHA's records.

All modernization costs have been paid and all related liabilities have been discharged through payments.

See notes to financial statements

**Housing Authority of the Parish of Sabine
Many, Louisiana**

NOTES TO THE FINANCIAL STATEMENTS

Housing Authorities are chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Sabine Parish, Louisiana. This creation was contingent upon the local governing body of the city, county, or parish as applicable. A seven member Board of Commissioners governs the PHA. The members, appointed by the Sabine Parish Council, serve a four year staggered term.

Under the United States Housing Act of 1937, as amended, the US Department of HUD has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the PHA for the purpose of assisting the PHA in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the PHA for the purpose of maintaining this low rent character.

NOTE A - FINANCIAL REPORTING:

(1) Financial Reporting Entity

Generally accepted accounting principles require that the financial statements present the accounts and operations of the PHA and its component units, entities for which the PHA is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the PHA's operations and data from these units, if any are combined with data of the PHA. Each discretely presented component, if any, would be reported in a separate column in the combined financial statements to emphasize that it is legally separate from the PHA. As of December 31, 2000, and for the fiscal then ended, the PHA had no discretely presented component units or any component units that are required to be blended in these financial statements.

(2) Accounting Principle

The PHA uses the governmental GAAP enterprise method of accounting.

The enterprise method accounts for operations in a manner similar to a private business. Under this method, all assets, including fixed assets, and all liabilities are in one fund, and one financial statement.

The enterprise method recognizes revenues and expenses on the full accrual basis. Revenues are recognized when earned and become measurable. Expenses are recognized in the period incurred, if measurable.

**Housing Authority of the Parish of Sabine
Many, Louisiana**

Depreciation expense must be recognized for the enterprise method of accounting. Under the HUD regulatory method of accounting, depreciation was not recognized.

The PHA applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

(3) Budgetary Data

The PHA is required by its HUD Annual Contributions Contract to adopt annual budgets for the Low Rent Housing Program and the Section 8 Programs. Annual budgets are not required for CIAP grants as their budgets are approved for the length of the project. Both annual and project length budgets require grantor approval.

(4) Cash and Cash Equivalents

The entity defines cash and cash equivalents to include certificates of deposit, money market funds, savings accounts, and demand deposits.

(5) Tenant Receivables

Receivables for rental and service charges are reported in the General Fund, net of allowances for doubtful accounts.

(6) Compensated Absences

Authority employees accrue personal leave, or compensated absences, by a prescribed formula based on length of service.

NOTE B - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS:

It is the entity's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at December 31, 2000. The categories are described as follows:

Category 1: Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3: Uncollateralized, uninsured and unregistered, but with securities held by the bank, its agent, pledged to the PHA, but not in the PHA's name.

**Housing Authority of the Parish of Sabine
Many, Louisiana**

Cash Deposits, categorized by level of risk, (at cost, which approximates market) are:

Total Bank Balances	Category 1	Category 2	Category 3
\$ 553,852	\$ 100,000	\$ -0-	\$ 453,852

NOTE C - ACTIVITIES OF THE PHA:

At December 31, 2000, the PHA was managing low-rent program, vouchers program, certificates program, and a comprehensive grant program.

NOTE D - CONTINGENCIES:

The entity is subject to possible examinations by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refund by the entity to federal grantors and/or program beneficiaries.

NOTE E - FIXED ASSETS:

As noted in Note A, soft costs formerly capitalized have been written off and fixed assets are now depreciated on the straight-line method over their estimated useful lives as follows:

Site improvements	20 Years
Buildings	20 Years
Building improvements	10 Years
Non-dwelling structures	20 Years
Equipment	3-7 Years

Low Rent Public Housing	Cost	Current Depreciation	Accumulated Depreciation	Net Asset Value
Land	\$ 171,442	\$ 0	\$0	\$ 171,442
Buildings	\$ 7,155,127	\$ 0	\$ 6,570,198	\$ 584,929
Furniture & Equipment – Dwellings	\$ 163,952	\$ 0	\$ 163,952	\$ 0
Furniture & Equipment – Administration	\$ 182,576	\$ 6,456	\$ 116,689	\$ 65,887
Leasehold Improvements	\$ 1,263,808	\$ 0	\$ 1,263,808	\$ 0
TOTAL	\$ 8,936,905	\$ 6,456	\$ 8,114,647	\$ 822,258

**Housing Authority of the Parish of Sabine
Many, Louisiana**

CGP	Cost	Current Depreciation	Accumulated Depreciation	Net Asset Value
Buildings	\$ 329,043	\$ 2	\$ 2	\$ 329,041
Furniture & Equipment – Dwellings	\$ 12,520	\$ 0	\$ 0	\$ 12,520
Furniture & Equipment – Administration	\$ 24,040	\$ 0	\$ 0	\$ 24,040
Leasehold Improvements	\$ 10,510	\$ 0	\$ 0	\$ 10,510
TOTAL	\$ 376,113	\$ 2	\$ 2	\$ 376,111

The capitalization limit is \$5,000.

All land and building are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

NOTE F - LONG-TERM DEBT:

To provide for the development and modernization of low-rent housing units, the PHA issued New Housing Authority Bonds and Permanent Notes-FFB. These bonds and notes are payable by HUD and secured by annual contributions. The bonds and notes do not constitute a debt by the authority, and accordingly, have not been reported in the accompanying financial statements. The amount of this debt that has been reclassified to HUD Equity is \$ 675,000.

NOTE G - RETIREMENT PLAN:

The entity provides benefits for all full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six-month exclusionary period. The employee contributes 5% and the entity contributes 8% of the employee's base monthly salary. The entity's contributions for each employee (and interest allocated to the employee's account) vest at 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The entity's total payroll for the fiscal year ending December 31, 2000 was \$208,483. The entity's contributions were calculated using the base salary amount of \$208,483. Contributions to the plan were \$10,424 and \$16,679, by the employees and the entity, respectively.

**Housing Authority of the Parish of Sabine
Many, Louisiana**

NOTE H - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS:

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Investments

The carrying amount approximates fair value because of the short maturity of these instruments.

NOTE I - USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE J - PRIOR PERIOD ADJUSTMENTS

	Public Housing Low Rent	Public Housing CGP	Section 8 Rental Voucher	Section 8 Rental Certificate	Total
Adjust prior year equity	\$ 48,573	\$ 626	\$ (54,377)	\$ 16	\$ 5,162
Equity transfer of 1998 CGP	\$ 0	\$ (260,423)	\$ 0	\$ 0	\$ (260,423)
TOTAL	\$ 48,573	\$ (259,797)	\$ (54,377)	\$ 16	\$ (265,585)

NOTE K - INTERFUND RECEIVABLES / PAYABLES:

Account	Debit	Credit
Section 8 Rental Voucher Program	\$ 7,011	
Section 8 Rental Certificate Program		\$ 7,011

NOTE L - COMPENSATED ABSENCES:

At December 31, 2000, employees of the PHA have accumulated and vested \$6,124 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at December 31, 2000 was \$6,124.

**Housing Authority of Sabine Parish
Many, Louisiana
Expenditures of Federal Awards
For Fiscal Year Ending December 31, 2000**

SCHEDULE I
Page 1 of 1

<i>CFDA #</i>	<i>Name of Federal Program</i>	<i>Federal Award Expenditure</i>
14.850a	Low Rent Public Housing	307,928
14.855	Section 8 Rental Voucher Program	244,455
14.857	Section 8 Rental Certificate Program	81,444
14.859	Public Housing Comprehensive Grant Program	334,260
	Total Federal Expenditures	<u>\$ 968,087</u>

See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana
Combining Balance Sheet - All Funds
As of December 31, 2000**

SCHEDULE II

Page 1 of 2

	<i>Public Housing</i>		<i>Section 8</i>		
	<i>Low Rent</i>	<i>CGP</i>	<i>Rental Voucher</i>	<i>Rental Certificate</i>	<i>Total</i>
<u>Assets</u>					
Current Assets:					
Cash - Unrestricted	\$ 201,708	\$ -	\$ -	\$ -	\$ 201,708
Cash - Restricted	-	-	-	-	-
Total Cash	\$ 201,708	\$ -	\$ -	\$ -	\$ 201,708
Accounts Receivable - PHA Projects	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable - HUD Other Projects	-	-	1,012	-	1,012
Accounts Receivable - Miscellaneous	1,112	-	360	-	1,472
Accounts Receivable - Tenants Dwelling Rents	1,523	-	-	-	1,523
Allowance for Doubtful Accounts - Dwelling Rents	(39)	-	-	-	(39)
Total Accounts Receivable, Net of Allowance	\$ 2,596	\$ -	\$ 1,372	\$ -	\$ 3,968
Interprogram Due From	\$ -	\$ -	\$ 7,011	\$ -	\$ 7,011
Prepaid Expenses and Other Assets	30,117	-	327	-	30,444
Investments	304,698	-	37,112	10,334	352,144
Total Other Assets	\$ 334,815	\$ -	\$ 44,450	\$ 10,334	\$ 389,599
Total Current Assets	\$ 539,119	\$ -	\$ 45,822	\$ 10,334	\$ 595,275
Noncurrent Assets:					
Land	\$ 171,442	\$ -	\$ -	\$ -	\$ 171,442
Buildings	7,155,127	329,043	-	-	7,484,170
Furniture, Equipment & Machinery - Dwellings	163,952	12,520	-	-	176,472
Furniture, Equipment & Machinery - Administration	182,576	24,040	-	-	206,616
Leasehold Improvements	1,263,808	10,510	-	-	1,274,318
Accumulated Depreciation	(8,114,647)	(2)	-	-	(8,114,649)
Total Fixed Assets, Net of Accumulated Depreciation	\$ 822,258	\$ 376,111	\$ -	\$ -	\$ 1,198,369
Other Assets	\$ 372	\$ -	\$ -	\$ -	\$ 372
Total Noncurrent Assets	\$ 822,630	\$ 376,111	\$ -	\$ -	\$ 1,198,741
Total Assets	\$ 1,361,749	\$ 376,111	\$ 45,822	\$ 10,334	\$ 1,794,016

See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana
Combining Balance Sheet - All Funds
As of December 31, 2000**

SCHEDULE II
Page 2 of 2

	<u>Public Housing</u>		<u>Section 8</u>		
	<u>Low</u>		<u>Rental</u>	<u>Rental</u>	<u>Total</u>
	<u>Rent</u>	<u>CGP</u>	<u>Voucher</u>	<u>Certificate</u>	
<u>Liabilities and Equity</u>					
Current Liabilities:					
Accrued Compensated Absences	\$ 6,124	\$ -	\$ -	\$ -	\$ 6,124
Accrued Wage/Payroll Taxes Payable	52	-	-	-	52
Accounts Payable < 90 Days	2,329	-	-	-	2,329
Accounts Payable - HUD PHA Programs	-	-	15,767	725	16,492
Accounts Payable - Other Government	16,331	-	-	-	16,331
Tenant Security Deposits	16,923	-	-	-	16,923
Current Liabilities - Other	14,308	-	-	-	14,308
Interprogram Due To	-	-	-	7,011	7,011
Total Current Liabilities	\$ 56,067	\$ -	\$ 15,767	\$ 7,736	\$ 79,570
Noncurrent Liabilities:					
Long-term Debt, Net of Current - Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -
Total Noncurrent Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 56,067	\$ -	\$ 15,767	\$ 7,736	\$ 79,570
Equity:					
Project Notes (HUD)	\$ -	\$ -	\$ -	\$ -	\$ -
Long-term Debt - HUD Guaranteed	675,000	-	-	-	675,000
Net HUD PHA Contributions	147,258	376,111	-	-	523,369
Other Contributions	-	-	-	-	-
Total Contributed Capital	\$ 822,258	\$ 376,111	\$ -	\$ -	\$ 1,198,369
Undesignated Fund Balance/Retained Earnings	\$ 483,424	\$ -	\$ 30,055	\$ 2,598	516,077
Total Equity	\$ 1,305,682	\$ 376,111	\$ 30,055	\$ 2,598	\$ 1,714,446
Total Liabilities and Equity	\$ 1,361,749	\$ 376,111	\$ 45,822	\$ 10,334	\$ 1,794,016

See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana**

SCHEDULE III
Page 1 of 2

**Combining Statement of Revenue, Expenses, and Change in Equity - All Funds
For Fiscal Year Ending December 31, 2000**

	<i>Public Housing</i>		<i>Section 8</i>		
	<i>Low Rent</i>	<i>CGP</i>	<i>Rental Voucher</i>	<i>Rental Certificate</i>	<i>Total</i>
Revenues:					
Net Tenant Rental Revenue	\$ 172,453	\$ -	\$ -	\$ -	\$ 172,453
Net Tenant Revenue - Other	18,262	-	-	-	18,262
Total Tenant Rental Revenue	\$ 190,715	\$ -	\$ -	\$ -	\$ 190,715
HUD PHA Grants	\$ 307,928	\$ 93,327	\$ 244,455	\$ 81,444	\$ 727,154
Other Government Grants	-	-	-	-	-
Investment Income - Unrestricted	11,914	-	1,668	556	14,138
Other Revenue	-	-	164	-	164
Total Other Revenue	\$ 319,842	\$ 93,327	\$ 246,287	\$ 82,000	\$ 741,456
Total Revenue	\$ 510,557	\$ 93,327	\$ 246,287	\$ 82,000	\$ 932,171
Operating Expenses:					
Administrative Salaries	\$ 63,885	\$ -	\$ 11,250	\$ 3,750	\$ 78,885
Auditing Fees	2,660	-	500	500	3,660
Compensated Absences	-	-	-	-	-
Employee Benefit Contributions-Administrative	18,229	-	2,200	700	21,129
Other Operating - Administrative	22,454	374	22,817	8,656	54,301
Tenant Services-Salaries	21,867	-	-	-	21,867
Employee Benefit Contributions-Tenant Services	5,729	-	-	-	5,729
Tenant Services-Other	2,720	-	-	-	2,720
Water	262	-	-	-	262
Electricity	8,359	-	-	-	8,359
Gas	335	-	-	-	335
Other Utilities Expense	189	-	-	-	189
Ordinary Maintenance & Operations-Labor	105,731	-	1,500	500	107,731
Ordinary Maintenance & Operations-Materials	67,778	-	-	-	67,778
Ordinary Maintenance & Operations-Contract	51,833	-	-	-	51,833
Employee Benefit Contributions-Maintenance	28,124	-	75	25	28,224
Insurance Premiums	71,308	-	-	-	71,308
Payments in Lieu of Taxes	16,331	-	-	-	16,331
Bad Debt - Tenant Rents	5,862	-	-	-	5,862
Interest Expense	-	-	-	-	-
Total Operating Expenses Before Depreciation	\$ 493,656	\$ 374	\$ 38,342	\$ 14,131	\$ 546,503

See notes to financial statements

**Housing Authority of Sabine Parish
Many, Louisiana**

SCHEDULE III
Page 2 of 2

**Combining Statement of Revenue, Expenses, and Change in Equity - All Funds
For Fiscal Year Ending December 31, 2000**

	<i>Public Housing</i>		<i>Section 8</i>		
	<i>Low Rent</i>	<i>CGP</i>	<i>Rental Voucher</i>	<i>Rental Certificate</i>	<i>Total</i>
Excess Revenue Over Expenses Before Depreciation	\$ 16,901	\$ 92,953	\$ 207,945	\$ 67,869	\$ 385,668
Casualty Losses - non Capitalized	\$ 1,289	\$ -	\$ -	\$ -	\$ 1,289
Housing Assistance Payments	-	-	209,583	69,861	279,444
Depreciation Expense	6,456	2	-	-	6,458
Operating Transfers - In	92,951	-	-	-	92,951
Operating Transfers - Out	-	(92,951)	-	-	(92,951)
Net Operating Income (Loss) After Depreciation	<u>\$ 102,107</u>	<u>\$ -</u>	<u>\$ (1,638)</u>	<u>\$ (1,992)</u>	<u>\$ 98,477</u>
Beginning Equity @ 12/31/99	\$ 1,155,002	\$ 394,975	\$ 86,070	\$ 4,574	\$ 1,640,621
Net Operating Income (Loss) After Depreciation	102,107	-	(1,638)	(1,992)	98,477
Prior Period Adjustments	48,573	(259,797)	(54,377)	16	(265,585)
Capital Outlays Enterprise Fund	-	240,933	-	-	240,933
Ending Equity @ 12/31/00	<u>\$ 1,305,682</u>	<u>\$ 376,111</u>	<u>\$ 30,055</u>	<u>\$ 2,598</u>	<u>\$ 1,714,446</u>

See notes to financial statements

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

Board of Commissioners
Housing Authority of the Parish of Sabine
Many, Louisiana

I have audited the financial statements of the Housing Authority of the Parish of Sabine (PHA), as of and for the year ended December 31, 2000 and have issued my report thereon dated May 03, 2001. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Audit Standards, issued by the Comptroller General of the United States.

Compliance

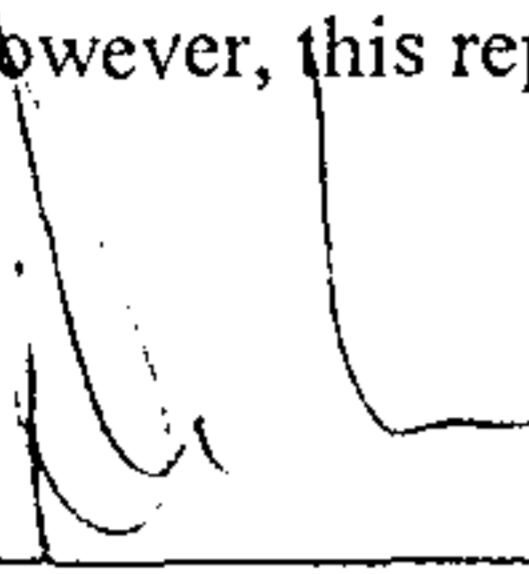
As part of obtaining reasonable assurance about whether the PHA's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the PHA's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control

components does not reduce to a relatively low level the risk that misstatements in the amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and for HUD. However, this report is a matter of public record and its distribution is not limited.



William Daniel McCaskill, CPA
A Professional Accounting Corporation

May 03, 2001

**WILLIAM DANIEL McCASKILL, CPA
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**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Commissioners
Housing Authority of the Parish of Sabine
Many, Louisiana

Compliance

I have audited the compliance of the Housing Authority of the Parish of Sabine (PHA) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2000. The PHA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the PHA's management. My responsibility is to express an opinion on the PHA's compliance based on my audit.

I conducted my audit of compliance in accordance with: generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the PHA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the PHA's compliance with those requirements.

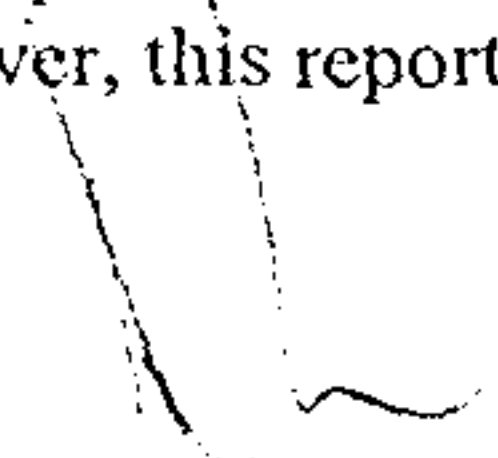
In my opinion, the PHA's complied, in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the PHA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the PHA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and HUD. However, this report is a matter of public record and its distribution is not limited.



William Daniel McCaskill, CPA
A Professional Accounting Corporation

May 03, 2001

**Housing Authority of the Parish of Sabine
Many, Louisiana**

SCHEDULE OF PRIOR AUDIT FINDINGS

There were no findings in the prior audit.

**Housing Authority of the Parish of Sabine
Many, Louisiana**

SCHEDULE OF AUDIT ADJUSTING JOURNAL ENTRIES

None

**Housing Authority of the Parish of Sabine
Many, Louisiana**

***SCHEDULE OF CURRENT AUDIT FINDINGS
AND QUESTIONED COSTS***

Per A-133, Section 505(d)

1. Summary Schedule of Auditors Results:

- i. The report includes an unqualified opinion on the financial statements.
- ii. There were no reportable conditions in internal controls found that are required to be disclosed at the financial statement level.
- iii. The audit disclosed no noncompliance that is material to the financial statements.
- iv. No reportable conditions in internal control over major programs were disclosed by the audit.
- v. The compliance report issued for major programs was unqualified.
- vi. The report disclosed no audit findings required to be reported under Section 510a of A-133.
- vii. All major programs have oversight by HUD and are identified as follows:

<u>CFDA#</u>	<u>Name of Program</u>
14.859	Comprehensive Grant Program

- viii. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
 - ix. The auditee was considered a low risk auditee.
2. Finding relating to the financial statements required to be reported with GAGAS are as follows: NONE
3. Findings and questioned costs for Federal awards as defined in A-133, Section 510a all with HUD oversight: NONE

**Housing Authority of the Parish of Sabine
Many, Louisiana**

SCHEDULE OF CORRECTIVE ACTION PLAN

None